



STATE BOARD OF EQUALIZATION  
PROPERTY AND SPECIAL TAXES DEPARTMENT  
450 N STREET, SACRAMENTO, CALIFORNIA  
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0064  
916 274-3350 • FAX 916 285-0134  
www.boe.ca.gov

BETTY T. YEE  
First District, San Francisco

SEN. GEORGE RUNNER (RET.)  
Second District, Lancaster

MICHELLE STEEL  
Third District, Orange County

JEROME E. HORTON  
Fourth District, Los Angeles

JOHN CHIANG  
State Controller

CYNTHIA BRIDGES  
Executive Director

No. 2013/005

January 7, 2013

TO COUNTY ASSESSORS:

DEFINITION OF AIR TAXI

Assembly Bill 2688 (Stats. 2012, ch. 362) was signed by the Governor on September 17, 2012 and took effect January 1, 2013. AB 2688 amends Revenue and Taxation Code section 1154 to update the definition of *air taxi* to include:

...aircraft used by an air carrier which does not utilize aircraft having a maximum passenger capacity of more than 60 seats or a maximum payload capacity of more than 18,000 pounds in air transportation and which holds a certificate of public convenience and necessity or other economic authority issued by the United States Department of Transportation, or its successor.

This bill also updates the reference to the appropriate federal agency charged with issuing economic authority for air carriers. The United States Department of Transportation was added and the reference to the Federal Aviation Administration was deleted.

A copy of section 1154 in strikeout/underscore format is enclosed. If you have any questions regarding the changes to the provision, please contact the Assessment Services Unit at 1-916-274-3350.

Sincerely,

/s/ David J. Gau

David J. Gau  
Deputy Director  
Property and Special Taxes Department

DJG:lg  
Enclosure

*Section 1154 of the Revenue and Taxation Code as amended by Stats. 2012, ch. 362:*

- (a) As used in this section, “air taxi” means aircraft used by an air carrier which does not utilize aircraft having a maximum passenger capacity of more than ~~30~~ 60 seats or a maximum payload capacity of more than ~~7,500~~ 18,000 pounds in air transportation and which ~~does not~~ holds a certificate of public convenience and necessity or other economic authority issued by the ~~Federal Aviation Administration~~ United States Department of Transportation, or its successor.
- (b) Air taxis which are operated in scheduled air taxi operations are not subject to the provisions of Part 10 (commencing with Section 5301) of this division and shall be assessed in accordance with the allocation formula set forth in Section 1152.
- (c) All other air taxis shall be assessed in the county where the aircraft is habitually situated in the same manner and at the same ratio as other personal property in the county subject to general property taxation. Such aircraft shall be taxed at the same rate and in the same manner as all other property on the unsecured roll.